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C O N F I D E N T I A L SECTION 01 OF 02 ABUJA 002096

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DOE FOR CAROLYN GAY

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TAGS: PGOV KCOR KDEM NI

SUBJECT: PDP ASSEMBLY REPS URGE SPEAKER TO STEP DOWN

REF: ABUJA 1932

Classified By: Charge d'Affairs Robert Gribbin for reasons 1.4. (b & d)

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¶1. (C) SUMMARY. Chairmen of three House of Representatives Committees (all three representing the PDP) on September 27 told Poloffs they have urged House Speaker Patricia Etteh to step down voluntarily before she is removed from her position. The 9-man House Panel of Inquiry released its report on the Speaker's residential renovation scandal (reftel) on September 26. The report notes violations of due process and serious irregularities in the tender process. A House vote of two-thirds majority or a federal indictment by the EFCC would mean Etteh loses the Speakership and, if indicted, her seat in the House. The Congressmen maintained the best route remains to convince Etteh to leave voluntarily. The three PDP representatives maintained PDP leadership in the House did not want Etteh to begin with, but they were persuaded by former President Obasanjo. They were hopeful that, if Etteh is removed, a new Speaker could be elected based on experience and merit rather than allegiances - a first for the legislative body. END SUMMARY.

¶2. (C) Poloffs and PolAssistant met with House Chairman of the Water Resources Committee Terngu Tsegba (PDP, Benue State), Chairman of the Petroleum Resources Committee Clever Ikisikpo (PDP, Bayelsa State), and Chairman of the Land Transport Committee Dimeji Bankole (PDP, Ogun State) on September 27 to discuss the ongoing scandal surrounding renovation of House Speaker Patricia Etteh's residence (reftel) and the release of the Panel of Inquiry's report. Tsegba confided that the PDP members of the House had never

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wanted Etteh as Speaker and that they opposed her nomination at the PDP National Caucus. He told Poloffs that former President Obasanjo had insisted and so the party members had supported her.

¶3. (C) Tsegba maintained Etteh is more incompetent as Speaker than they had expected. He claimed that as much as 90 percent of the time Etteh is unable to preside over House deliberations -- either due to her lateness or mistakes. Tsegba told Poloffs Etteh was incapable of delivering her

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remarks at the July Africa Regional Commonwealth Parliamentary Association meeting in South Africa and had to rely on someone else to present in her place. The three

Chairmen also maintained that Etteh's educational credentials are fraudulent (per recent press reports). They maintained that the name on the diploma does not match hers and that classmates don't remember her being a student. Tsegba and Bankole confirmed rumors that the basis for Etteh and Obasanjo's alliance is an intimate, romantic relationship.

THE PANEL REPORT

¶4. (C) The House Panel of Inquiry, ironically made up of individuals approved by Etteh, released its report on September 26. Notably, all members of the panel, including Etteh supporters, signed the report. The report contains conclusions, but no recommendations. Tsegba told Poloffs this was done purposefully to give Etteh the option to step down. Had the report contained recommendations, they almost certainly would have included a recommendation that the EFCC investigate the matter, which would lead to a federal indictment, Etteh's removal from the House and likely a jail term. (Note: That the recommendations are absent does not preclude the EFCC from investigating, but removes the formal request from the House.)

¶5. (C) The Panel report cited several areas that do not conform with due process:

- The tender for the contract was never advertised.
- No Bill of Quantities or drawings were included, so there was no basis for arriving at the approved contract sums.
- There was no budgetary provision for the renovation or the purchase of vehicles in the 2007 Budget.
- The contract award shows "major acts of omission and disregard for laid down procedure."
- The memorandum awarding the contracts was approved before some of the quotations were even received.
- Companies which submitted bids (including the winning company) were not registered and not eligible to compete.
- Members of the minority leadership were not present for

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the meeting at which the contracts were approved.

¶6. (C) Tsegba claimed the Panel was deliberately limited to looking into the renovation contract, though he claimed there were many more instances of excesses that could have been included. He noted that the recorded value of the land and home is 160 million Naira (1.2 million USD), whereas the renovation contract was for 238 million Naira (1.8 million USD). In addition, he noted the Speaker has procured 14 million Naira (109,000 USD) worth of curtains for her residence and 5 million Naira (39,000 USD) worth of sheets.

ETTEH'S FUTURE - NOT LOOKING BRIGHT

¶7. (C) Tsegba told Poloffs the results of the inquiry are so damning that Etteh will have to leave the House - she may even end up with jail time. The Congressmen maintained, however, that the best possible scenario would be for Etteh to step down. Tsegba told Poloffs the House shouldn't be put through the embarrassment of the Speaker having to be forcibly removed for corruption. The maintained the Deputy Speaker will have to be removed or step down as well for his involvement in the affair.

¶8. (C) According to Tsegba, once the House takes up discussion of the report (expected in two weeks - after the plenary recess to discuss appropriations), Etteh will have to step down as Speaker. A temporary Speaker will be appointed until the House takes a vote on the report. The Speaker can be removed by a two-thirds majority vote. As noted, however, Tsegba and other Chairmen hope the House will be spared the

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embarrassment of such a vote. If the EFCC initiates an investigation and issues a federal indictment, Etteh will immediately lose her Speakership and her seat.

¶9. (C) COMMENT. Etteh's days as Speaker, and in the House in general, appear numbered. Tsegba, Ikisikpo and Bankole were open about their dislike for Etteh and their disdain for her performance as Speaker. Although the selection process that led to Etteh's nomination and election as Speaker was fraught with Obasanjo's influence, the three held out hope that a new Speaker could be nominated and elected based on merit and experience rather than political and personal allegiances. Yar'Adua's hands-off approach may allow the House the ability to choose its own leadership - a first for the legislative body. END COMMENT.

GRIBBIN